

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2301 – SB 2505**

February 21, 2014

**SUMMARY OF BILL:** Creates a Class C misdemeanor for driving a motor vehicle on any road or highway in this state while using a hand-held mobile telephone while the vehicle is in motion, except for when the driver's use of a hand-held mobile telephone is being used for the purpose of a bona fide emergency, which must be proven by a preponderance of the evidence.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue - \$78,900/FY14-15  
\$157,700/FY15-16 and Subsequent Years**

**Increase State Expenditures - \$7,200/FY14-15**

**Increase Local Revenue - \$4,200/FY14-15  
\$8,300/FY15-16 and Subsequent Years**

**Assumptions:**

- Based on information provided by the Department of Safety and Homeland Security (DOS), the number of licensed drivers in Tennessee is estimated to be 4,610,200.
- Approximately 80 percent of licensed drivers in Tennessee, or 3,688,160, own a hand-held mobile telephone.
- Approximately 0.5 percent of licensed drivers in Tennessee that own hand-held mobile telephones, or 18,441, will be cited for a Class C misdemeanor violation as a result of this bill
- The average fine for a Class C misdemeanor violation is estimated to be \$15.
- Twenty percent of violation will be dismissed by the presiding judge; an additional twenty percent of convicted will not pay due to indigence; therefore, only 60 percent of individuals cited, or 11,065, will pay the average fine.
- Total recurring fine revenue is estimated to be \$165,975 (11,065 x \$15).
- Local government retains five percent of fine revenue as commission.
- Total recurring increase in local revenue is estimated to be \$8,299 (\$165,975 x 5.0%).
- Total recurring increase in state revenue is estimated to be \$157,676 (\$165,975 - \$8,299).

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- Due to the effective date of January 1, 2015, the revenue impact for FY14-15 will be 50 percent of the impact estimated for the first full year (FY15-16).
- Based on information provided by DOS, the department will be required to make modifications to the driving records system and software. The one-time increase in state expenditures is estimated to be \$7,160. Such one-time expenditure will occur in FY14-15.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/dwl